



# Lawyers Alliance for New York

Connecting lawyers, nonprofits, and communities

## **2007 New Year's Resolutions for New York Not-for-Profit Corporations**

- 1. Review your organization's certificate of incorporation, by-laws and Internal Revenue Service determination letter to see that they reflect current operations. If they don't, amend them.**

*If you are not sure the Certificate of Incorporation you have on hand is the most current version and you are incorporated in the State of New York then order a copy from the Department of State: <http://www.dos.state.ny.us/corp/nfpcorp.html#cfs>.*

*Remember to notify the Department of State, Attorney General's Office and the Internal Revenue Services of any change in the name of the organization or change in the principal place of business. You can verify the address on file with the Department of State at: [http://appsex8.dos.state.ny.us/corp\\_public/corpsearch.entity\\_search\\_entry](http://appsex8.dos.state.ny.us/corp_public/corpsearch.entity_search_entry).*

*For guidance on not-for-profit board governance read the New York State Attorney General's publication *Right from the Start*: [http://www.oag.state.ny.us/charities/not\\_for\\_profit\\_booklet.pdf](http://www.oag.state.ny.us/charities/not_for_profit_booklet.pdf).*

*Lawyers Alliance for New York's updated by-law publication will be released mid- 2007. Email [ncruz@lawyersalliance.org](mailto:ncruz@lawyersalliance.org) if you would like to be added to our publication distribution list.*

*To contact the Internal Revenue Service to request a copy of your determination letter or to request a new and updated determination letter (including new corporate name and mailing address) visit: [http://www.irs.gov/charities/article/0,,id=96085\\_00.html](http://www.irs.gov/charities/article/0,,id=96085_00.html).*

- 2. Hold an annual meeting for the organization's board of directors and the boards of directors of any affiliated agencies. If the organization is a membership corporation, hold an annual meeting of the membership. Elect directors and officers in accordance with by-laws.**

*If the organization is a membership corporation, it must have at least one annual meeting of the membership for the election of directors and officers. If the organization is a non-membership corporation, the Board must have at least one least one annual meeting for the election of officers and directors although the by-laws can establish more frequent meetings. Best practices requires the board to meet at least 3 times annually. For more information of governance "best practices," visit: <http://www.give.org/standards/newcbbbstds.asp>.*

**3. Adopt a conflict of interest policy to prevent self-dealing by board members and management staff.**

*The importance of a conflict of interest policy is explained at:*  
<http://www.irs.gov/charities/article/0,,id=139515,00.html>.

*The IRS has developed a model conflict of interest policy, which is included in the instructions to the application for federal tax exemption, Form 1023:*  
<http://www.irs.gov/formspubs/lists/0,,id=97817,00.html> and select Form 1023 Instructions.

**4. Confirm that your organization's annual federal tax returns and New York State Attorney General financial filings are current. Tickle the dates that your Form 990 and Char 500 must be filed during 2007.**

*The Form 990 must be filed by the 15th day of the 5th month after the end of your organization's fiscal year. For example, if your organization's fiscal year runs on a calendar year the Form 990 is due May 15 of the following year. More information is available at:* <http://www.irs.gov/charities/charitable/article/0,,id=123308,00.html>.

*To confirm that your organization is listed by the Internal Revenue Service as a public charity check Internal Revenue Service Publication 78:*  
<http://www.irs.gov/charities/article/0,,id=96136,00.html>.

*To determine if your organization has registered with the New York State Attorney General visit:* [http://fairchild.oag.state.ny.us/online\\_forms/search\\_charities.jsp](http://fairchild.oag.state.ny.us/online_forms/search_charities.jsp).

*To learn more about New York State's charitable reporting and registration requirements visit:* [http://www.oag.state.ny.us/charities/search\\_faq.html](http://www.oag.state.ny.us/charities/search_faq.html).

**5. Make sure your organization is properly classifying its employees, independent contractors and volunteers. Confirm that workers' compensation, disability and unemployment insurance coverage is in place for all employees.**

*Information on the distinction between an employee and an independent contractor is available at:* <http://www.irs.gov/charities/article/0,,id=128602,00.html> and <http://www.labor.state.ny.us/ui/dande/ic.shtm>.

*Information on workers compensation and disability insurance is available at:*  
<http://www.web.state.ny.us/content/main/forms/oc923.pdf> and <http://www.nysif.com>.

*Information on unemployment insurance is available at:*  
[http://www.labor.state.ny.us/ui/ui\\_index.shtm](http://www.labor.state.ny.us/ui/ui_index.shtm).

**6. Update personnel policies to reflect changes in staffing and ensure compliance with current law.**

*For an employment law overview visit*  
<http://www.probonopartnership.org/PBPGuide/frame.htm>

- 7. Evaluate your organization's volunteer program to make sure it is operating in a way that protects the organization, its clients and its volunteers from legal liability and fosters productive volunteer relationships.**

*A tutorial on the development of a volunteer program is available at [http://www.nonprofitrisk.org/tutorials/ns\\_tutorial/intro/1.htm](http://www.nonprofitrisk.org/tutorials/ns_tutorial/intro/1.htm).*

*Lawyers Alliance's publication focusing on the legal issues associated with operating a volunteer program will be released in mid-2007. Email [ncruz@lawyersalliance.org](mailto:ncruz@lawyersalliance.org) if you would like to be added to our publication distribution list.*

- 8. Conduct lobbying activities within the boundaries of federal tax law. Determine whether your organization has an obligation to register and report as a lobbyist under either New York State or New York City law.**

*Information on federal restrictions on lobbying activities by 501(c)(3) organizations is available at: <http://www.irs.gov/charities/article/0,,id=139017,00.html>.*

*Information on the registration requirements for organizations lobbying in New York State and New York City is available at [http://www.nylobby.state.ny.us/law\\_guide.html](http://www.nylobby.state.ny.us/law_guide.html) and <http://nycmarriagebureau.com/LobbyingBureau/index.htm>, respectively.*

*Also please review Lawyers Alliance's client memo detailing the changes to the New York City lobbying regulations: [http://www.lawyersalliance.org/news\\_legal\\_alerts.php#13](http://www.lawyersalliance.org/news_legal_alerts.php#13).*

- 9. Consider whether your organization's name, logo or tag line can and/or should be protected under trademark and copyright law.**

*For more information on trademarks and copyrights visit: <http://www.uspto.gov/main/faq/index.html>.*

- 10. Call the Lawyers Alliance Resource Call Hotline (212) 219-1800, ext. 224, the next time you have a question about not-for-profit or exempt organization law.**

*A description of our resource call hotline is contained at: [http://www.lawyersalliance.org/our\\_services.php#resource](http://www.lawyersalliance.org/our_services.php#resource).*

**For legal assistance contact Angela Cheng, Program Associate for Client Relations, at (212) 219-1800, ext. 278 or [acheng@lawyersalliance.org](mailto:acheng@lawyersalliance.org).**

**Happy New Year!**